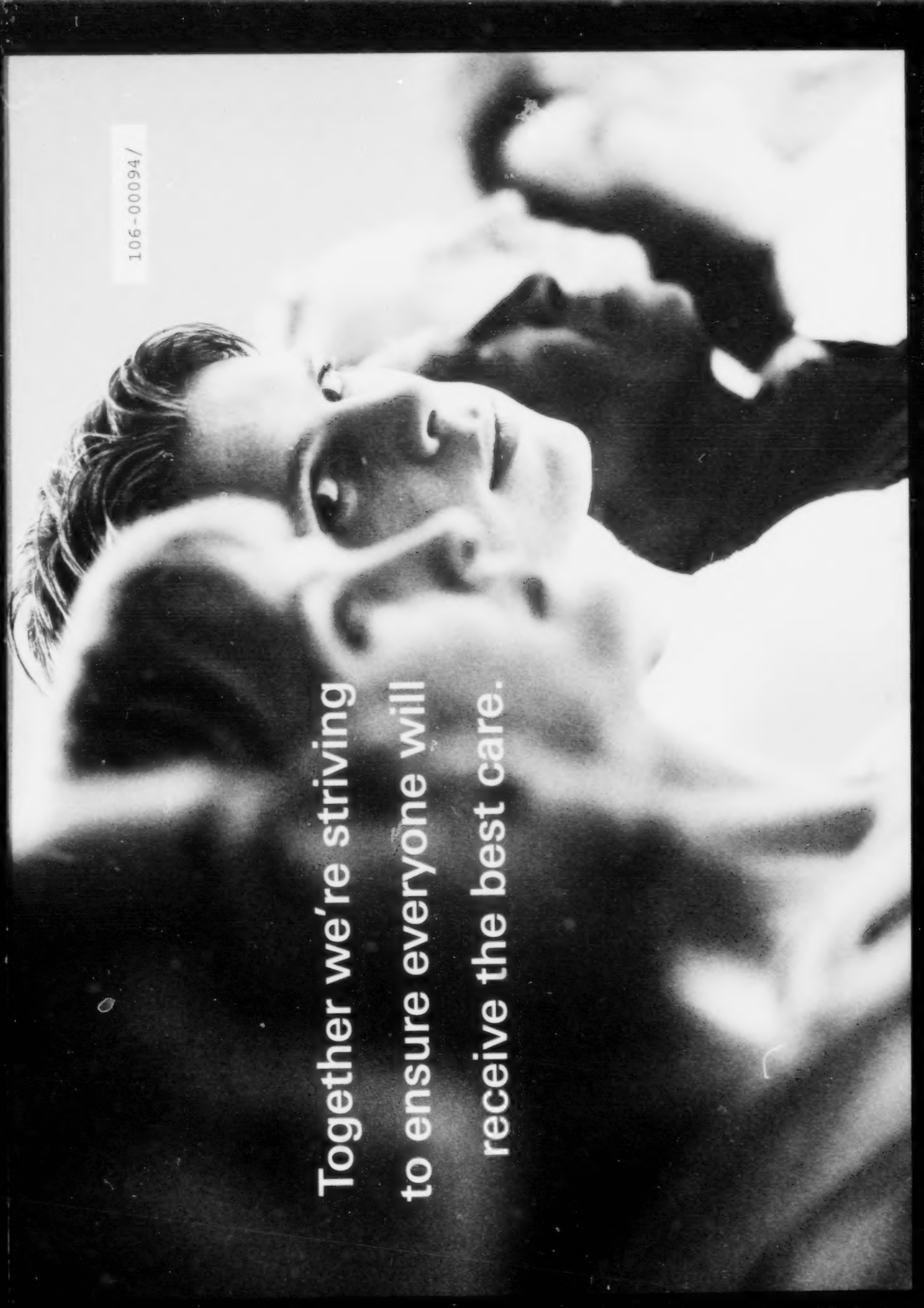


One in five Albertans will
experience mental illness
in their lifetime.



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Together we're striving
to ensure everyone will
receive the best care.



The Plan provides us
with a definitive
roadmap for the future
of mental health
in our province.

Message From The Chair

This past year marked an exciting new chapter for the Alberta Mental Health Board (AMHB). Having successfully transferred mental health services to the Regional Health Authorities on April 1, 2003, the AMHB took on a challenging role to work in partnership as a facilitator, collaborator and advocate for Mental Health in Alberta.

The most significant accomplishment this year was the successful completion of the Provincial Mental Health Plan for Alberta. This was achieved by the collective efforts of partners in Alberta Health and Wellness, the Regional Health Authorities, the Alberta Alliance on Mental Illness and Mental Health, the Alberta Medical Association, and the Alberta Psychiatric Association. The partners undertook extensive consultation with 500 participants from the public, mental health advocates and organizations, and those who work directly in the field of mental health. Enthusiastically embraced by other ministries, partners, stakeholders and staff, the Plan is a definitive roadmap for the future of mental health in our province.

Much of AMHB's effort this year has been devoted to provincial collaboration and capacity building across the mental health system. From forensic psychiatry, to Aboriginal mental health, to the support for suicide prevention strategy, the AMHB is facilitating a positive environment for progress and innovation.

The AMHB continued to play an important role in promoting mental health in the province, cross-provincially and nationally. Responding

to the stress of farmers during the BSE crisis and providing funding and support for promotional activities at the health authority level are just two examples of our collaborative efforts.

This year we achieved significant improvements in operational efficiencies. With the outsourcing of a number of administrative services and the consolidation of our offices, processes have been streamlined and we are now able to focus our energies on supporting the Regional Health Authorities in their work to advance mental health in Alberta.

Looking back, 2003/2004 represented a positive year of transformation for the AMHB—and for the mental health system in Alberta. With the implementation of the Provincial Mental Health Plan, the Board feels confident that Alberta can look forward to improved access to services, greater risk reduction and strengthened system capacity in mental health.



Dr. John G. Read, Chair
Alberta Mental Health Board





We now have
a common vision
for a leading edge
mental health system
that puts clients and
their families first.

Message From The Chief Executive Officer

This year we achieved a common vision and commitment for individuals and organizations in the Alberta mental health system. The result of this collective accomplishment will be the enormously positive impact it will have on the lives of clients and their families with mental health needs.

It was my honour and privilege to Co-Chair the Provincial Mental Health Plan Steering Committee with Ed Andersen, Board Chair of East Central Region, and to work in partnership with all nine Regional Health Authorities, the Alberta Alliance on Mental Illness and Mental Health, the Alberta Medical Association, the Alberta Psychiatric Association and Alberta Health and Wellness in the development of the Provincial Mental Health Plan. The invaluable input from numerous groups and individuals, including the Aboriginal community, the Aboriginal Wisdom Committees and the Regional Mental Health Advisory Committees was critical to the success of the project.

No less remarkable is the outstanding dedication of the staff of the Alberta Mental Health Board. In the face of significant transition and change, I have been extremely impressed with the devotion of our employees. Not only were they instrumental in the development of the Plan, but they have also maintained excellent work, leadership and on-going partnerships in the area of mental health promotion, telemental health, Aboriginal mental health, suicide prevention,



research, and provincial forensic psychiatry. I wish to acknowledge their excellent work in what was a challenging and ultimately successful year.

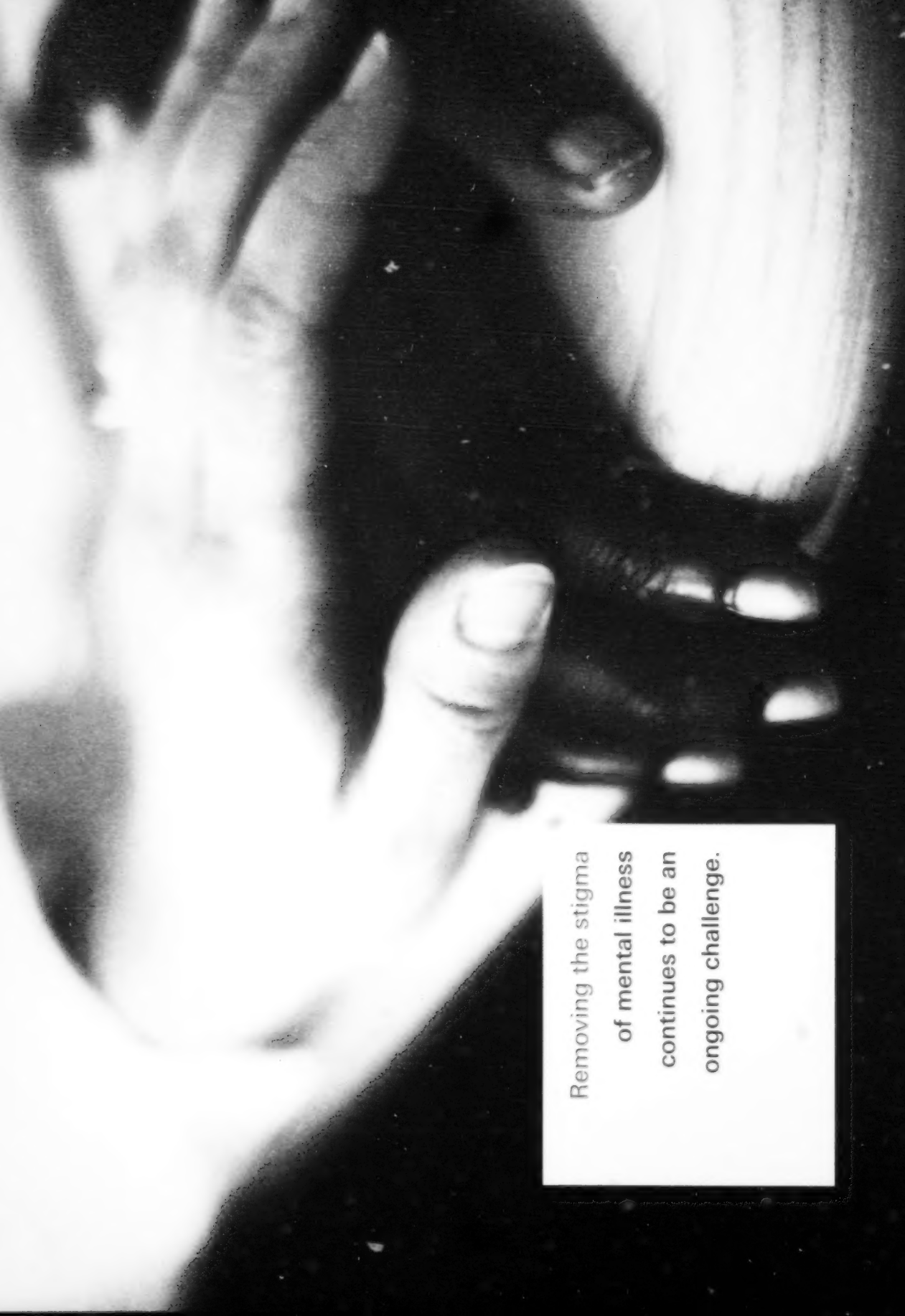
Alberta's experience in the planning and delivery of mental health care is strongly recognized for its forward thought and overall efficiency. We continue to uphold this reputation by working closely with the partners who have helped make our system what it is. This year in particular we've engaged in a promising cross-collaborative dialogue with our counterparts in British Columbia.

The AMHB looks forward to maintaining the momentum it has achieved with its many partners in advancing Alberta's mental health.

Together we can make a difference for Albertans.

A stylized, handwritten signature in dark ink, appearing to read 'M. Block'.

Ray Block
Chief Executive Officer

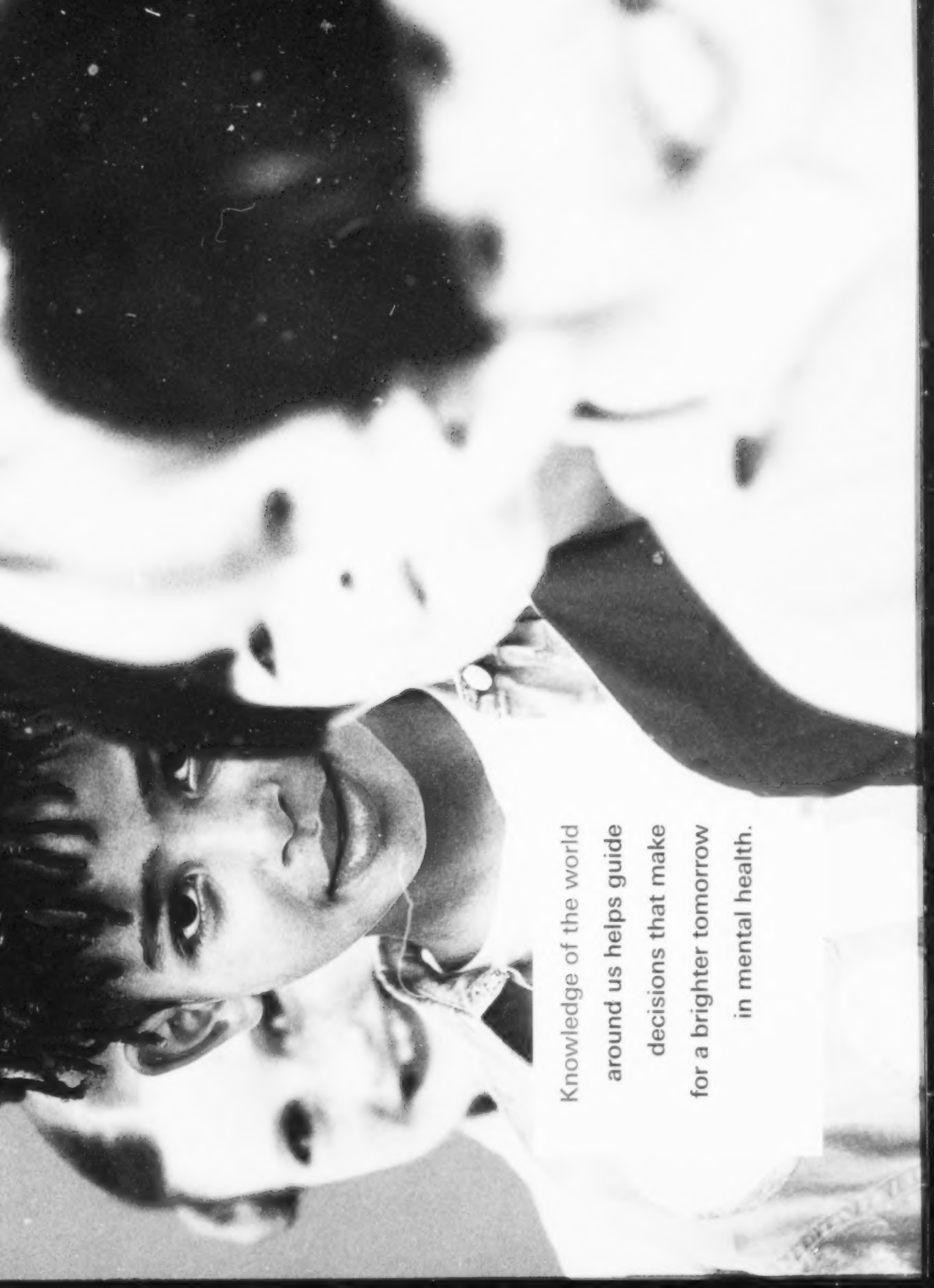


Removing the stigma
of mental illness
continues to be an
ongoing challenge.

Statement of Responsibility

Recognizing that 2003-04 would be a year of transition and reform for the mental health system in Alberta, the Alberta Mental Health Board was mandated by the Minister of Alberta Health and Wellness to facilitate change and:

- Govern province-wide services
- Advise the Minister on matters relating to the integration of mental health services
- Advise the Minister on performance standards and measures for mental health services and on program utilization and performance
- Work with the regional health authorities on the development of a Provincial Mental Health Plan
- Assess regional mental health plans
- Support the regional health authorities on workforce initiatives for mental health
- Promote evaluation of mental health services and dissemination of best practices
- Work with the regional health authorities to establish provincial program councils for designated mental health services to facilitate a broad provincial perspective
- Consult with advocacy groups and program councils
- Undertake mental health promotion activities and address the issue of stigmatization of mental health problems through education and awareness initiatives



Knowledge of the world
around us helps guide
decisions that make
for a brighter tomorrow
in mental health.

The World Around Us

In order to respond effectively to the needs of our mental health system, it is imperative to examine the issues and trends that surround us. Whether they be symptomatic of our current society or borne directly from the health system itself, knowledge of the world around us helps guide decisions that make for a brighter tomorrow in mental health.

The development of the Provincial Mental Health Plan brought the following issues and trends to light.¹

The Burden of Mental Illness

The "burden of illness" is a common measure used to describe the impact of disability and premature death caused by a particular illness or condition. In countries with established economies, mental illness is the second leading cause of disability and premature death—accounting for more than 15% of the burden of illness in those countries.

Sadly, mental illness continues to be a largely unspoken illness and as a result, the World Health Organization states that the impact of mental illness on overall health and productivity throughout the world is profoundly under-recognized.

And the burden does not fall on the client alone. Families, society and our economies also carry the weight of suffering, disability and economic loss. The impact is far-reaching.

¹ The following issues and trends borrow largely from "Advancing the Mental Health Agenda: A Provincial Mental Health Plan for Alberta" – April, 2004

The Stigma Remains

Mental illness continues to battle stigmatization. While efforts to build awareness have made progress, much more needs to be done. Misconceptions need to be replaced with the understanding that many mental illnesses can be treated effectively and people can live productive, positive lives. Until this societal understanding is achieved, people will continue to avoid treatment for fear of being labeled.

Social Factors Strongly Influence Mental Health

The factors influencing one's mental health are extremely broad. Mental health can be impacted by numerous social determinants. From income and employment circumstances to housing, education levels and social status, mental health is often impacted by the unique elements in one's social environment.

Mental health should not be dealt with in isolation from the factors that affect people's day-to-day lives.

Certain Groups Require Closer Attention

Mental health services need to be expanded for children and youth, the elderly, Aboriginal people and those with addictions.

In the case of children and youth, the focus should largely be on treatment, risk reduction and support for families and communities.

Having these mechanisms in place will help avoid the much greater downstream costs that result from mental illness in children.

The proportion of elderly people with psychiatric problems is relatively high compared to other age groups. This is due namely to the prevalence of Alzheimer's disease. High rates of depression and suicide also occur among elderly people and this is why the elderly are considered a high priority.

The uniqueness of the Aboriginal culture coupled with high rates of suicide, substance abuse and family breakdown underscores the need for services specifically aimed at the Aboriginal population.

Addictions and mental illness often go hand in hand and therefore require special attention.

Delivery of Services

The literature review done for the Provincial Mental Health Planning project notes that the mental health system in Canada lacks integration, balance and comprehensiveness.

Specifically:

- Mental health services are primarily oriented toward treating people with mental illness
- Existing resources are used primarily for inpatient institutional care
- There are not enough community-based mental health services to meet demands

These challenges apply not only in Alberta but in other jurisdictions worldwide. The Final Report of the Commission on the Future of Health Care in Canada recommended that mental health home care services should be included as medically necessary services.

Exemplary Mental Health Systems Adopt Best Practices

Numerous studies and reports indicate that mental health systems that employ best practices are well on their way to addressing the mental health challenges we face today. Examples of exemplary mental health care systems are those that are:

- Community and general hospital psychiatry-based, with a full continuum of services based on internationally agreed to best practices
- Client-based and encourage family and caregiver involvement
- Innovative in their implementation and evaluation of service mechanisms
- Information-based, with minimum data sets in place, as well as mechanisms for tracking key information on conditions and utilization
- Performance-based, with increasing emphasis and initial progress on performance measurement and quality improvement
- Knowledge-based, with increasing emphasis on research and evaluation

Promising New Developments

In spite of the current challenges faced by mental health, there are a number of significant inroads being made to improve quality of care. Modern technology and the growth of human rights and consumer movements have changed the manner and context in which people can be treated and supported. The introduction of new psychotropic medications is further proof that mental health research will always be valued and necessary. As well, the trend of decentralization of services has brought services closer to the clients, and the integration of mental health with general health care one step closer.

In Canada:

- Six million or 20% of all citizens will experience a mental illness in their lifetime. Three percent will suffer a severe and persistent disability.
- Six million or 20% of Canadians will suffer a substance disorder in their lifetime and as many as half of people with severe mental illness develop alcohol or other drug abuse problems at some point in their lives.
- Mental illness affects people of all ages, educational levels and cultures.
- In 1999-2000, people with mental illness utilized over nine million hospital days.
- In 1998-99, mental disorders accounted for 14% of the total days of care in general hospitals.
- The economic burden of mental illness is estimated at \$14.4 billion a year. Mental illness ranked fifth highest in spending on physician fees, third highest in spending on drugs and second highest in facility costs.
- Mental health diagnoses (e.g. depression and anxiety) rank among the most frequent diagnoses in primary care. Approximately half of all office visits resulting in a mental health diagnosis involve physicians who are not psychiatrists.

In Alberta:

- Over 600,000 people or 20% of the population will experience a mental illness in their lifetime. That's slightly less than the population of the City of Edmonton.
- Just over 500,000 Albertans (17% of the provincial population) were treated by a physician for a mental health related problem in 2002-03. In total, there were more than 2.25 million visits to a physician for the primary purpose of receiving treatment for a mental health problem.
- 39% of all general practice physician billings were mental health related.
- Mental health problems constitute the top reason why people consult their family physician.
- Over 34,000 Albertans went to a hospital emergency department in 2001-02 because of a mental health problem.
- 120,000 Albertans are addicted to alcohol and drugs.
- About \$472 million in public funding is spent on mental health services in Alberta a year (based on expenditures in 2002 for physician billings and mental health services delivered by Regional Health Authorities and the Alberta Mental Health Board).



Survey results indicate that 96% of stakeholders felt that we worked collaboratively with our partners. This positive response exceeded our annual target by 21%.

Our Commitments and Results

The AMHB made six commitments to the Minister of Health and Wellness for 2003-04 that would benefit the health system in general, and mental health clients and their families in particular.

Our commitments were to:

- Facilitate the development of a provincial plan for the mental health system.
- Engage in partnerships, collaboration and involve stakeholders.
- Govern provincial mental health services.
- Develop processes to measure mental health system performance.
- Develop information management and technology strategies that would support the integration and effective delivery of mental health services, and
- Govern effectively and report to the Minister.

Planning for the Mental Health System

Our Commitment – Initiate and facilitate the development of a Provincial Mental Health Plan (including accountability framework, standards and measures, and information management strategy) in partnership with RHAs and collaboration with Health and Wellness and key stakeholders.

Results:

Under the direction of the Minister of Health and Wellness, the AMHB facilitated the development of the Provincial Mental Health Plan in collaboration with Alberta Health and Wellness, the regional health authorities, the Alberta Alliance on Mental Health and Mental Illness, the Alberta Medical Association and the Alberta Psychiatric Association.

The process involved:

- An initial planning day (June 19, 2003) that clarified the vision and the process to develop the Plan
- Establishing a Steering Committee, co-chaired by Ray Block, CEO, Alberta Mental Health Board, and Ed Anderson, Chair, Board of the East Central Region
- Establishing five working groups including Accountability Management, Funding and Information Management, Human Resources, Research and Evaluation, and Service Plan
- Extensive public consultation with numerous groups including consumers, health professionals, advocacy groups and government departments

The primary focus of the plan is on action and on addressing the number one concern – improving access to mental health services across the province.

The Plan was endorsed by all the health regions and by key stakeholders in mental health including provincial government ministries. Implementation of the Plan has begun, and the AMHB will work with regional health authorities, Alberta Health and Wellness and other stakeholders to advance the Plan.

Our Commitment – Develop evidence-based health services research.

Results:

In keeping with recommendations within the Provincial Mental Health Plan, the AMHB put resources in place to facilitate the development of a Mental Health Research Plan.

Preliminary work was begun to develop a consultation and development process that will identify program specific research priorities, strategies and targets in key areas, and a process for information dissemination. Activity in this area began immediately following the announcement of the Provincial Mental Health Plan on May 19, 2004.

Meanwhile the AMHB continued to support research in:

Continuity of Mental Health Services in Alberta – This three-year research project, supported by the AMHB, was completed in January 2004. The study developed a promising measurement instrument for continuity of mental health care, piloted a new way of delivering services, and measured the association between continuity and client outcomes.

Mental Health Surveillance – This project, supported by the AMHB, was completed in March 2004. Approximately 5900 Alberta households across all regions were surveyed by telephone. The study examined the prevalence of mental illness in the population, public perceptions of mental health service availability and acceptability, and the utilization of health services. This information is critical to understanding the demand for services and to the development of systems that are responsive to the public. This important work will need to continue and expand.

Aboriginal Services – The AMHB developed protocols for conducting research in Aboriginal communities as an initial step in the development of a guide for the design, implementation and reporting of research regarding Aboriginal people.

Domestic Violence Treatment – A study was initiated by the AMHB in November 2001 to obtain preliminary data on the experience of the Calgary Domestic Violence Court offender treatment services. The progress and findings of treatment effectiveness are discussed in detail in the evaluation reports of February 2002, March 2003, October 2003 and March 2004. Much valuable information has been collected to date, and preliminary findings reflect reduced rates of recidivism and improved partner safety.

Provincial Forensic Psychiatry Program – The AMHB collaborated with Capital and Calgary Health Regions to develop service agreements inclusive of mechanisms and processes to enhance provincial coordination, quality management activities and funding for Alberta's Provincial Forensic Psychiatry Program.

Partnerships, Collaboration and Stakeholder Involvement

Our Commitment – Establish provincial program councils, build partnerships with other organizations and collaborate with community advocacy groups to benefit the health system generally and mental health clients and their families in particular.

Results:

Innovative Partnership and Collaboration – Resulted in the successful completion of the Provincial Mental Health Plan for Alberta that sets the direction for improving mental health and mental health services across the province. Regional health authorities, Alberta Health and Wellness, the Alberta Alliance on Mental Illness and Mental Health, the Alberta Medical Association, the Alberta Psychiatric Association and the AMHB embraced the opportunity to make a difference. Citizens, advocates (such as the Canadian Mental Health Association and the Schizophrenia Society of Alberta), and health service providers were invited to provide input into the plan. Their response and contributions to the process was overwhelming. This unique collaborative process was critical to facilitating improved access to mental health care for Albertans now and in the future.

Cross Ministry Initiatives – The AMHB continued its commitment to strengthening the continuum of care by participating in three cross-ministerial initiatives:

Mental Health and Justice

1. *Provincial Diversion Program* – To ensure individuals with mental illness who are in conflict with the law receive appropriate care and treatment and reduce reliance on the criminal justice system. Interim evaluation results from the Calgary Diversion Project indicate improved mental health, reduction of symptoms,

withdrawal of charges and cost savings to the system. As well, the Provincial Diversion Implementation Plan was approved, the Police and Crisis Team diversion project was initiated in Edmonton, and planning for the implementation of diversion projects was undertaken in additional Alberta communities.

2. *Intensive Rehabilitative Custody and Supervision Sentence (IRCS)*

– The committee developed an Alberta process and manual for sentencing of young offenders who commit serious violent offenses under provisions in the new Youth Criminal Justice Act. Other provinces have asked to reference this manual in the development of their provincial processes. The Solicitor General recognized the efforts of the committee by conferring on them the Solicitor General Employee Recognition Team Award 2003.

3. *Provincial Family Violence Treatment Program* – which supports HomeFront and funding for treatment services for offenders mandated by the Domestic Violence Court in Calgary.

4. *Young Offender Mental Health Services* – Involvement continued with this project designed to improve access to assessment and treatment of young offenders who have mental illness, and to evaluate outcomes. Partnerships include the Young Offender Branch, Alberta Solicitor General, and Northern Alberta and Southern Alberta Forensic Psychiatry Services. The project has completed Phase 1, which focused on the evaluation processes within the young offender centres.

5. *Interdepartmental Committee on Family Violence* – The AMHB participated in this cross-ministry initiative that provides a forum to discuss family violence issues, plan government actions and make recommendations to appropriate ministers.

The Alberta Children and Youth Initiative – This included Children with Complex Needs, Youth in Transition, and Aboriginal Youth Suicide Prevention. AMHB was most active in developing a draft strategy for prevention of suicide among Aboriginal youth.

Persons with Developmental Disabilities Partnering Committee – This committee was developed to foster collaborative service delivery to individuals who have a mental illness and developmental disabilities.

Provincial Program Councils – AMHB established the Provincial Forensic Psychiatry Program Advisory Council that advises on advocacy and accountability functions in relation to service improvement, performance measurement and program evaluation. Membership includes representation from the Partnering Deputies Committee, regional health authorities, post-secondary education organizations, and consumer organizations (John Howard Society, Elizabeth Fry Society, Schizophrenia Society of Alberta, and Canadian Mental Health Association).

Partnership Satisfaction – AMHB's partnerships and collaborative efforts were well received by stakeholders. Survey results indicated that 96% of stakeholders felt that AMHB worked collaboratively with its partners. This positive response exceeded our annual target by 21%.

Championing Mental Health – The AMHB continued to represent and promote the mental health perspective and Alberta's position at regional, provincial, national and international forums where health and mental health are discussed.

These included:

- Membership on the Board of the Canadian Association on Suicide Prevention (CASP) and leadership in hosting the national CASP conference to be held in Alberta in 2004.
- Membership on the Federal/Provincial/Territorial Network on Mental Health.
- Participation in a meeting on Cross-Border Policy Issues Related to the Provision of Mental Health Services to Rural and Remote

Populations (USA and Canada).

- Dialogue with the British Columbia Ministry of Health Services and the Provincial Health Services Authority of British Columbia regarding an inter-provincial mental health initiative.
- Papers presented at the CASP conference on evidence-based suicide prevention, and the International Nursing Conference on Mental Health and Psychiatric Nursing on a family systems approach to leadership.
- Poster presentation on Telemental Health in Halifax, Nova Scotia
- Representation of Aboriginal perspectives on mental health at regional, provincial and federal levels.
- Participation in several provincial networks, including:
 - Southern Alberta Child and Youth Health Network
 - Families First Edmonton
 - Central and North Alberta Mental Health Network
 - Central and Northern Network for Patient Representatives
 - Justice Policy Advisory Committee
- Membership in Canadian Council on Health Services Accreditation (CCHSA). Two members of AMHB's executive team are surveyors for the CCHSA.
- Adjunct professor appointments with the University of Calgary.
- Alberta Healthy Living Network.

Addressing Rural Stress – In collaboration with the Ministry of Agriculture, the Drought Aid 2002 Committee, and regional health authorities, the AMHB supported the Rural Stress Initiative to respond to the continuing social and economic crisis in rural Alberta due to drought conditions, bovine spongiform encephalopathy (BSE), low commodity prices and the related issues of stress, depression and anxiety.

Inter-provincial Dialogue – In response to the British Columbia/Alberta cooperative agreement, the AMHB initiated dialogue with the Ministry of Health Services in British Columbia to explore joint activities in mental health. Further discussion and developments are underway.

Governance of Provincial Mental Health Services

Our Commitment – Ensure that contracted provincial services are delivered according to the terms set out in the contracts and within the context of the Provincial Mental Health Plan.

Results:

Service Agreements – Accountability with external providers of services is negotiated through service agreements. In keeping with organizational roles that changed in April 2003, service agreements were developed with Capital Health and the Calgary Health Region to ensure mechanisms and processes are in place for this provincially mandated service. These agreements facilitate forensic psychiatry inpatient and community assessment, treatment, rehabilitation, follow-up, consultation and education/research services for, or related to, adults and adolescents with mental health problems who are in conflict with the law.

New service agreements were also established with the provincial Centre for Suicide Prevention, the Alberta Division of the Canadian Mental Health Association and the Schizophrenia Society of Alberta.

The AMHB worked with regional health authorities, government ministries and community stakeholders, to ensure a provincial perspective, leadership and coordination for the following mental health initiatives:

- Provincial Forensic Psychiatry Program
- Telemental Health
- Aboriginal Mental Health
- Suicide Prevention
- Mental Health Promotion and Education

Dissemination of Best Practice Information – To support the development of best practice, the AMHB sponsored an evaluation of the treatment standards and effectiveness in serving individuals mandated for treatment through the Calgary Domestic Violence Court. Results were disseminated in a presentation to representatives from Alberta Justice, Alberta Solicitor General and Alberta Health and Wellness, and at the Alberta Round Table on Family Violence.

Professional Development – The AMHB's Telelearning services provided 88 continuing professional development opportunities to 4000 health care professionals. Experts based in major urban centres provided interactive learning sessions to participants throughout Alberta, Western Canada, and the Arctic on topics such as Brain Injury Rehabilitation, Addictions, Forensic Mental Health, and an overview of medications for treatment of mental disorders. In partnership with AADAC, a two day workshop on treatment of clients using methamphetamine was provided to health care workers in nine Alberta communities.

Quality Management – Work began on the development of a quality management framework for the Programs Division inclusive of the Provincial Forensic Psychiatry Program, Aboriginal Mental Health and Mental Health Prevention and Promotion.

Providing Care Through Technology – AMHB's Telemental Health Service worked with regional health authorities to coordinate the provision of psychiatric consultations based on referral from a client's general practitioner. Telehealth videoconferencing technology overcomes geographic separation and provides clients with timely access to specialized mental health services without the cost and inconvenience associated with travel. Over 1000 psychiatric consultations and follow up sessions were completed this past year.

Promoting Mental Health - AMHB continued to work with regional health authorities to consult, coordinate and meet resource needs for mental health promotion especially during Mental Health Week and Mental Illness Awareness Week.

Suicide Prevention - AMHB continued to facilitate the work of Provincial Suicide Prevention Coordinators across the province to review research, share resources and facilitate efforts to reduce the incidence and impact of suicide in Alberta.

Aboriginal Mental Health Services - Promoted culturally appropriate services for Aboriginal peoples by identifying best practices, research protocols, training service providers, and participating in the development of the Aboriginal Youth Suicide Prevention strategy.

Monitoring Mental Health System Performance

Our Commitment - Develop and implement processes that foster public confidence in the mental health system, and achieve the best possible outcomes.

Results:

In keeping with the intent of the Provincial Mental Health Plan, system performance measures must support integration and reduce barriers to quality mental health services for clients and families. To that end:

The AMHB collaborated with Northern Alberta Forensic Psychiatric Services (Capital Health) and Southern Alberta Forensic Psychiatry Services (Calgary Health Region) to establish performance indicators

for the Provincial Forensic Psychiatry Program. The performance indicators address **Access** (% of individuals served within an acceptable time period), **Utilization** (provincial and regional rates of individuals served per 100,000 population) and **Outcomes** (Client Satisfaction, Stakeholder Ratings of Effectiveness, and Other Evidence of Clinical Effectiveness).

The Provincial Diversion Program established committees in the communities of Lethbridge and St. Paul to develop community diversion projects. Diversion projects are designed to divert individuals with mental disorders from the justice system into more appropriate treatment and care. The Committee also facilitated the collection and analysis of Alberta Justice data, and collaborated with other community stakeholders in the assessment of service needs and strengths.

The AMHB supported regional health authorities and Alberta Health and Wellness in the development of wait time standards for services to children with mental health problems and disorders. Service utilization indicators are brought forward through the Provincial Mental Health Information Management Committee for consideration for future measures.

Information Management and Technology

Our Commitments - Work with regional health authorities to establish a mental health information management and technology strategy that will allow the gathering and sharing of data sets to support the integration and effective delivery of the mental health system.

Comply with province-wide information and technology standards.

controls, dedicated security personnel and authentication tools. The AMHB achieved compliance with these standards through its contracted partnership with Capital Health.

Government Relationship

Our Commitment – The Board shall carry out the AMHB's governance role effectively and annually self-assess and report to the Minister on its performance, including its process for evaluating the performance of the Board's Chief Executive Officer.

Results:

The Board's focus on quality management included self-assessment and assessment of the Chief Executive Officer (completed in December 2003). The Board signed a multi-year performance agreement with Alberta Health and Wellness, and quarterly and annual reports were submitted to the Ministry as required and on time.

Results:

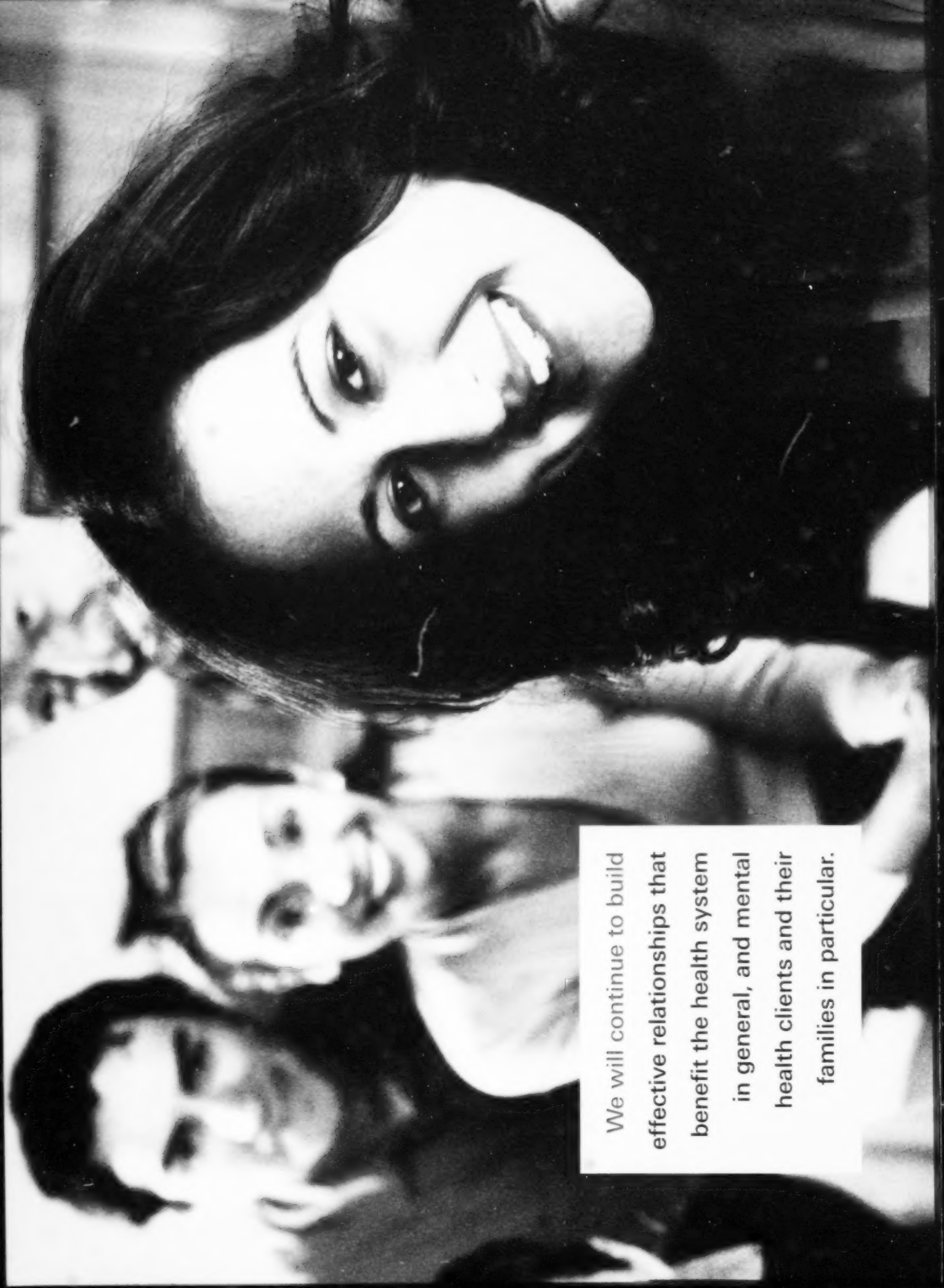
To foster the development of a mental health information management and technology strategy the AMHB facilitated the establishment of a Provincial Mental Health Information Management Committee. Reporting requirements have been identified to regional health authorities. The recently released Provincial Mental Health Plan will provide direction and guidance for the next stage of the information management and technology strategy results for Alberta.

Reporting Requirements – The AMHB participated with the Regional Shared Health Information Program (RSHIP). This common information system will allow seven rural health regions to facilitate the collection and use of standardized clinical and financial information.

Mental Health Funding Models – The AMHB supported regional health authorities and Alberta Health and Wellness on the Funding Methodology Working Group. This group is working together to develop funding methods that will address the specific needs of the mental health system.

Wait Time Standards – The AMHB provided support in the form of information planning and data analysis to the regional health authorities and Alberta Health and Wellness to develop wait time standards for mental health services provided to children across Alberta.

Technology Standards – With regard to compliance with province-wide information and technology standards, our target was to achieve compliance with Core 2 A (Minimum Connectivity) standards by December 31/2003. The standards require the acquisition of appropriate security controls, staff training, implementation of computer network audit and monitoring



We will continue to build effective relationships that benefit the health system in general, and mental health clients and their families in particular.

Future Directions for 2004-05

The AMHB is dedicated to accomplishing the following goals for the coming year:

1. Support Implementation of Provincial Mental Health Plan

The AMHB in partnership with the regional health authorities, and in collaboration with Alberta Health and Wellness, community advocacy groups, and other key stakeholders, will initiate and facilitate the development of an approach for advancing mental health within the context of the Provincial Mental Health Plan.

2. Facilitate Frameworks for Specific Mental Health Initiatives Identified in the Provincial Mental Health Plan

The AMHB will support and facilitate priority areas of provincial focus working with the regional health authorities, Health and Wellness and other stakeholders. Examples: Aboriginal mental health, forensic psychiatry, selected province-wide prevention and promotion initiatives, suicide prevention, and clients with complex needs.

3. Coordinate and Facilitate Mental Health Research and Evaluation Planning and Coordination

The AMHB will support and facilitate the development of an approach for building provincial capacity for mental health research within the context of the Provincial Mental Health Plan and in collaboration with the regional health authorities, Alberta's academic sector, Alberta Health and Wellness, the research community and other key stakeholders.

4. Champion Strategic Data Assessment

The AMHB will continue to champion and participate in the development of an Information Management Framework.

This will include options for ongoing data storage, identification of provincial mental health data sets and information required to support integration, and effective delivery of mental health services in partnership with the regional health authorities and Alberta Health and Wellness.

5. Strengthen Consumer Advocacy and Support

The AMHB, in partnership with others, shall develop processes and mechanisms to strengthen mental health advocacy in Alberta.

6. Enhance Partnerships, Collaboration and Stakeholder Involvement

The AMHB will continue to build effective relationships that benefit the health system in general, and mental health clients and their families in particular.

7. Government Relationship

The AMHB will carry out its governance role effectively, and annually self-assess and report to the Minister on its performance, including its process for evaluating the AMHB Chief Executive Officer.

The AMHB will provide advice to the Minister and ministry with regard to mental health policy. For example, the AMHB will respond to a request from the Minister and ministry to examine community treatment orders.

8. Communications Strategy

The AMHB will explore the development and implementation of a coordinated communications strategy that will build Albertans' confidence in the provincial mental health system.

The Governing Board

Alberta Mental Health Board Members

Dr. John Read, Edmonton (Chair)
Dave Mikkelsen, Chestermere (Vice Chair)
Neil Bunce, Torrington
Sharon Steinhauer, St. Paul
Susan Desbarats, Calgary
Louise LaForce-Fertig, Drayton Valley
Dr. Thomas J. Marrie, Edmonton
Jerry Preston, Edmonton

Board Responsibilities, Roles and Activities

The governing Board of the AMHB is responsible for providing overall direction and for developing the AMHB's vision, mission and goals. The Board provides strategic leadership to the organization using a policy governance model. Under this model, the Board establishes criteria and regularly monitors organizational performance. Quarterly reports from the Executive Management Committee keep the Board up to date on progress toward objectives of the strategic plan. In keeping with requirements of Alberta Health and Wellness, the Board also undertakes an annual self-assessment of its effectiveness as a governance body.

Two standing committees assist the Board in the development, monitoring, evaluation, risk management and continuous improvement related to strategic directions of the Board. To that end:

The Resources Standing Committee reviewed the objectives, scope and results of the annual external audit and recommended the approval by the Board of the audited financial statements for 2003/04. This year, Alberta Health and Wellness established a new process of Multi Year Performance Agreements in place of the Business Plan. The committee reviewed and approved the Multi Year Performance Agreement and the quarterly and annual performance reports to the Minister of Health and Wellness.

The Research and Evaluation Standing Committee held its inaugural meeting in March. At that time, the Standing Committee committed to promoting the development of mental health research in Alberta. More specifically, it will recommend research and evaluation priorities to the Board, facilitate a leadership role for the Board in mental health research and evaluation, and undertake a consultative planning process with regional health

authorities and other stakeholders to develop the mental health research plan for Alberta.

In 2003-04, key activities of the Board included:

- Collaboration with the regional health authorities, Alberta Health and Wellness, the Alberta Alliance on Mental Health and Mental Illness, the Alberta Medical Association and the Alberta Psychiatric Association to develop the Provincial Mental Health Plan.
- Strong fiscal governance to ensure that operational expenditures remained within the approved budget and that costs for restructuring were reduced significantly from original estimates (\$8.5 million from an estimated \$57 million).
- Consolidation of offices of the AMHB at four locations in Edmonton, Ponoka, Calgary and Lethbridge.
- Consultation and communication with mental health stakeholders (Alberta Medical Association, Schizophrenia Society of Alberta, Mental Health Services in David Thompson, Calgary and Capital Health Regions, Southern Alberta Geriatric Mental Health Services Working Group, Calgary Health Region, Trilateral Agreement, Health Link, World Health Collaborating Centre in Nursing and Mental Health, Addiction Centre of the Foothills Medical Centre).
- Transfer of the AMHB Foundation to Capital Health Authority.

- Development of plans to enhance forensic services, Aboriginal mental health, suicide prevention and mental health promotion in Alberta.
 - Dialogue with the British Columbia Ministry of Health Services and the Provincial Health Services Authority of British Columbia regarding inter-provincial mental health initiatives.
 - Oversaw the work of the AMHB CEO and the reorganization of the AMHB.
 - Participation in a meeting on Cross-Border Policy Issues Related to the Provision of Mental Health Services to Rural and Remote Populations (USA and Canada).
 - Participation in policy development with the Provincial Health Authorities of Alberta on core services and organizational stability.
 - Participation in Alberta Health and Wellness' Health Governance Capacity Building Workshop.
- Meetings of the Board are public. Board minutes are available to the public on request.

Organizational and Advisory Structures

Management Organization

2003-04 Executive Management Committee

Ray Block, *Chief Executive Officer*

Dr. Pierre Beausejour, *Clinical/Medical Advisor*

Laurie Beverley, *Executive Director, Programs*

Sandra Harrison, *Executive Director, Planning, Advocacy and Liaison*

Ruby Brown, *Executive Director, Monitoring and Evaluation*

Aboriginal Wisdom Committee

The Wisdom Committee was established by the AMHB (2000) to ensure involvement by Aboriginal communities in the process of planning the direction for Aboriginal mental health services in Alberta. It provides advice and guidance to the Alberta Mental Health Board, and through it to the regional health authorities and Ministry of Health and Wellness, in order to promote the unique cultural and spiritual needs of the Aboriginal community.

Comprised of Elders and other key individuals from First Nations, Métis and Inuit communities, its mission is to promote and support Aboriginal people through balanced, integrated, traditionally holistic, and Aboriginal culturally relevant mental health services within the mental health system in Alberta.

The significant inclusion of an Aboriginal perspective in the Provincial Mental Health Plan reflects, in part, the extensive input provided by the Aboriginal Wisdom Committee.

This included:

- Initial consultation to identify issues and make recommendations for gathering further input from Aboriginal peoples.
- Hosting two provincial focus groups on Aboriginal mental health issues.
- Co-presenting with staff to the services working group.
- Reviewing and making further recommendations to the final report on Aboriginal mental health.

Additionally, the Committee

- Participated, along with board and staff, in the Alberta Aboriginal and Northern Affairs Aboriginal Policy Checklist AMHB focus group.
- Advocated for and made recommendations to Aboriginal suicide prevention and health promotion initiatives.
- Participated in the selection of an Aboriginal mental health staff coordinator for central and northern Alberta.
- Consulted with provincial and regional groups, including the Minister of Aboriginal Affairs and Northern Development and the Calgary Health Region.
- Provided continuing guidance and support to the Aboriginal Mental Health staff.

Partnerships

The AMHB continues to be involved in a number of partnerships that promote mental health issues and support mental health service development and coordination.

These include:

- Collaboration with Alberta Health and Wellness (AHEW), Regional Health Authorities, the Alberta Alliance on Mental Health and Mental Illness, the Alberta Medical Association and the Alberta Psychiatric Association to develop the Provincial Mental Health Plan.
- Inter-ministerial initiatives such as the Alberta Children and Youth Initiative (ACYI), and several mental health initiatives with the Partnering Deputies Committee on Mental Health and Justice, of which the AMHB CEO co-chaired.
- A partnership with Capital Health Authority to provide services necessary to the operation of the AMHB, including financial, human resources, information systems, communication and legal services. This outsourcing arrangement supports efficiencies and cost savings for the AMHB.

In addition, telemental health partnerships with regional health authorities include Capital Health (CH), the Calgary Health Region (CHR), and the David Thompson Health Region (DTHR), to deliver urgent clinical and forensic mental health services via telehealth technology. A second partnership with the DTHR Geriatric Psychiatry Program facilitates the provision of mental health and psychiatric consultation services to older adults in communities throughout Southern Alberta.

In March 2004, AMHB's telemental health service began collaborating with the Alberta Cancer Board to enable the provision of telepsychiatry consultations by a Psycho-Oncology specialist. This service builds on existing processes and best practices to enable the delivery of specialized mental health services to communities where such services would otherwise not be available. This pilot project initiative with ACB will run for six months.



Financial Summary

Management Discussion and Analysis

The financial results for 2003/04 reflect a significant reduction in the scope and funding for the AMHB as a result of the transfer of services and operations to the regional health authorities (RHAs) on April 1, 2003. The primary activities of the AMHB included maintaining certain province-wide services (suicide prevention, forensic psychiatry, aboriginal mental health, mental health promotion and telemental health) and working with stakeholders on the development of a provincial mental health plan (the Plan).

Transfer of Services and Operations

To ensure continuity of services during the transfer, the RHAs were allocated the portion of the AMHB operating budget corresponding to the services and operations transferred to each RHA. In addition, the RHAs each received the operating assets and liabilities of the AMHB corresponding to the transferred facilities and programs, including an aggregate of \$37.715 million of cash. The AMHB no longer maintains facilities and programs and has only minimal capital equipment needs going forward.

The 2002/03 fiscal results are restated in the March 31, 2004 Financial Statements to reflect the transfer of services and operations as if it had already been in effect. An anomaly, however, is the inclusion of \$11.606 million for administrative services and programs that were either no longer required or continued after the

transfer to the RHAs or that related to one-time or flow-through funding. These costs are excluded from the 2002/03 key financial indicators for revenue and expenditures.

Also reported in this year's Financial Statements and disclosed in Note 17 are \$1.629 million of net restructuring costs relating to the transition.

Service Delivery in 2003/04

While the Plan was being developed, the AMHB continued to govern various province-wide services and initiatives, including forensic psychiatry (representing 66% of total operating expenses), aboriginal mental health, telemental health, suicide prevention and other prevention and promotion initiatives. AMHB also continued with research and information management initiatives. While not typical administration costs, the costs of conducting and overseeing certain of these activities are reported as such in the Financial Statements. Routine administration services have been outsourced to Capital Health to realize efficiencies in common processes.

The AMHB used \$2.737 million from internally restricted net assets to fund various one-time initiatives, including community geographic teams, research and family violence treatment and evaluation, to ensure that programs and services are maintained during the integration phase. These and other one-time legal and restructuring costs contributed to a deficiency of revenues over

expenses of \$190,000. The impact of the one-time costs was minimized as the Plan was not released until after year-end and certain budgeted initiatives did not occur. The results are a 100.41% funding coverage ratio and a strong working capital ratio in the short term until the AMHB begins to fully implement its new mandate under the Plan.

The Future (2004/05)

The financial plan for 2004/05 reflects the new mandate of the AMHB under the Plan which was released May 19, 2004. The key functions of the AMHB for 2004/05 will be to:

- Develop a collaborative approach and detailed multi-year implementation plan for advancing mental health within the context of the Plan and initiate planning for an evaluation framework used to evaluate progress on implementing the Plan.
- Explore the development and implementation of a coordinated communication strategy to provide information about the mental health system.
- Develop frameworks, including approaches and priorities, for specific mental health initiatives identified in the Plan, including Aboriginal Mental Health, Forensic Psychiatric Services, Prevention and Promotion initiatives, Province Wide Suicide Prevention Strategy and the Treatment of Extremely Hard to Serve Clients; and develop processes and mechanisms for measuring performance and reporting progress.

- Facilitate the development of a Provincial Mental Health Research Plan that includes broad stakeholder involvement and recommends processes and mechanisms for governance, priority setting, funding and accountability.
- Participate in the development of an Information Management Framework to support the integration and effective delivery of mental health services under the Plan and contribute to the development of a provincial mental health funding model.
- Develop a collaborative and strategic approach to formal and informal mental health advocacy and establish a process and mechanisms between the AMHB and the Mental Health Patient Advocate's office to strengthen the working relationship.
- Work collaboratively with the partners on joint activities.
- Provide advice to the Minister with regard to mental health policy and submit an annual self-assessment and proposed strategies to improve governance.

The Financial Plan for 2004/05 will support these key functions. However, as 2004/05 is the first year of the AMHB's new mandate under the Plan, it is anticipated to be a baseline year for a number of the key strategies and the actual financial results may differ significantly from the estimated financial impact. Furthermore, success depends on productive partnerships with all key stakeholders including the RHAs, Alberta Health and Wellness, community advocacy groups and others.

Financial Highlights

Total revenues for the 2003/04 fiscal year were \$36,664,000. Expenses, prior to legal settlement and net restructuring costs were \$34,775,000, resulting in a normalized surplus of \$1,889,000. The legal settlement and net restructuring costs, described in Note 7b and Note 17 of the Financial Statements, respectively, offset the surplus by a combined \$2,079,000, resulting in an overall deficit for the year of \$190,000. The following variances for Revenues and Expenditures are derived from comparing actual results to the budget for the 2003/04 fiscal year:

Revenues

Funding from Alberta Justice for the Homefront program contributed to a favorable variance of \$256,000 in Other Government Contributions.

Higher than anticipated interest income on the operating account and an unanticipated research grant were the primary drivers of a \$232,000 favorable variance in Investment and Other Income.

A write-down of externally funded capital equipment contributed to the favorable variance of \$38,000 in Amortized External Capital Contributions.

Expenditures

Research and Education showed a positive variance of \$239,000 due to extended vacancies and reassessment of the mandate for the research program in anticipation of the Plan.

Budgeted activity for implementation of the Plan and provincial program councils did not occur given the content and timing of the release of the Plan. These were the primary drivers of the \$2,386,000 favorable variance in Administration.

Flow-through funding for the pharmacy information system at Alberta Hospital Edmonton, unanticipated network charges and understated amortization costs in the budget all contributed to the \$514,000 unfavorable variance in Information Technology.

The \$450,000 Legal Settlement cost was funded from internally restricted net assets but was not included in the 2003/04 budget as the timing and amount of the settlement were not determinable.

The primary drivers of the \$746,000 positive variance in net Restructuring costs were initiatives funded from internally restricted net assets, such as community geographic teams and the mental health funding model, which were not fully expended in the transition year.

Key Financial Indicators

	Restated (1)(2)	Actual	Budget
	2002-2003	2003-2004	2004-2005
Sustainability			
1 Working Capital Ratio	1.31	3.59	5.38
2 Borrowing Accessed Ratio	N/A	N/A	N/A
Assets			
1 Remaining useful life of capital equipment (In years)	0.54	1.02	0.32
2 Equipment Reinvestment to Consumption	70.76%	16.31%	0.00%
3 Internally Funded Equipment	83.32%	76.81%	0.00%
4 Externally Funded Equipment	16.68%	23.19%	0.00%
5 Remaining useful life of facilities (In years)	N/A	N/A	N/A
6 Facility & Improvements Reinvestment to Consumption	N/A	N/A	N/A
7 Internally Funded Facility & Improvements	N/A	N/A	N/A
8 Externally Funded Facility & Improvements	N/A	N/A	N/A
Revenue			
1 AH & W Funding Coverage Ratio	103.78%	100.41%	89.40%
2 AH Funding per Capita	N/A	N/A	N/A
3 Funding per Capita, Net of Import/Export	N/A	N/A	N/A
4 Import/Export Funding Adjustment Ratio	N/A	N/A	N/A
Expenditures			
1 Ratio of Administration Cost (3)	9.85%	6.52%	5.35%
2 Distribution of Expenses	(see attached graphs)		

Note:

(1) The key financial indicators for 2002 - 2003 are based on the restated comparative fiscal 2003 figures presented in the AMHB's March 31, 2004 financial statements.

The restatement is a result of the transfer of the majority of mental health programs and services to the regional health authorities. See Note 1 to the March 31, 2004 financial statements for more information. The key financial indicators for 2001 - 2002 have not been presented as a restatement of the comparative fiscal 2002 figures was not completed.

(2) The key financial indicators for revenue and expenditures for 2002 - 2003 have been adjusted to exclude \$2,000,000 of one-time, flow-through funding from Alberta Health & Wellness and \$11,606,000 of expenditures for administrative services and programs that were either no longer required or continued after the transfer to the regional health authorities or that related to one-time or flow-through funding. Of the \$11,606,000, \$186,000 relates to Facility Based Inpatient Acute Services, \$732,000 relates to Facility Based Emergency and Outpatient Services, \$3,063,000 relates to Community and Home Based Services, \$9,000 relates to Diagnostic and Therapeutic Services, \$267,000 relates to Research and Education, \$3,081,000 relates to Administration, \$2,383,000 relates to Information Technology, and \$1,885,000 relates to Support Services.

(3) The Ratios of Administration Cost are calculated excluding expenses for the types of activities listed below which are considered operational under the new mandate prescribed for the AMHB in the Provincial Mental Health Plan. Such costs do not meet the criteria for inclusion in the other expenditure categories and so are reported as Administration costs. The aggregate of such costs excluded from the 2002 - 2003, 2003 - 2004 and 2004 - 2005 ratios is \$1,420,000, \$2,288,000 and \$3,834,000, respectively.

- Promoting and supporting implementation of the made-in-Alberta approach outlined in the framework document Advancing the Mental Health Agenda (April 2004);
- Bringing a provincial perspective to programming and support for regional mental health service delivery; and
- Strengthening advocacy and consumer support.

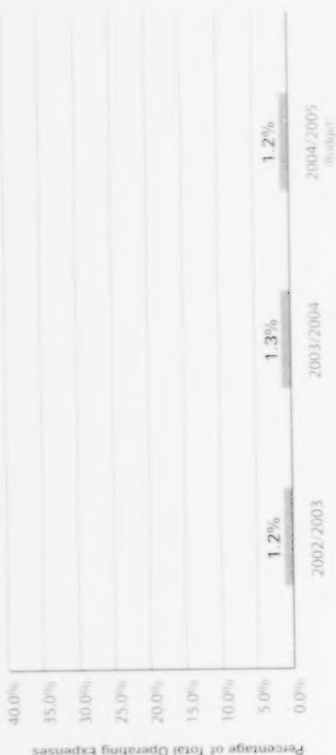
Facility Based Inpatient Acute Services



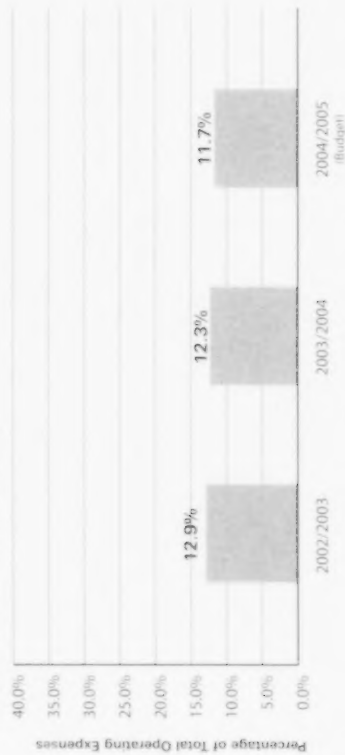
Facility Based Emergency and Outpatient Services



Community and Home Based Services



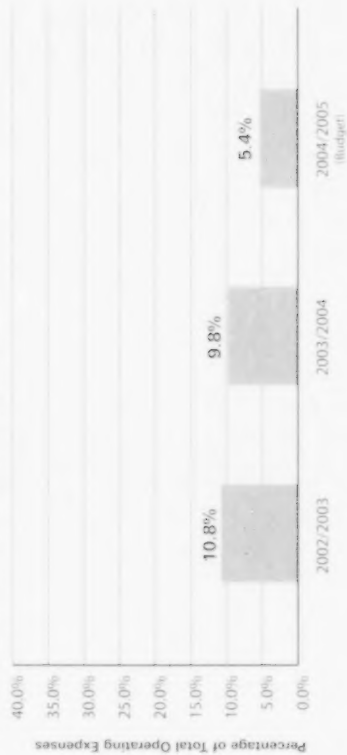
Diagnostic and Therapeutic Services



Research and Education



Promotion, Prevention and Protection Services



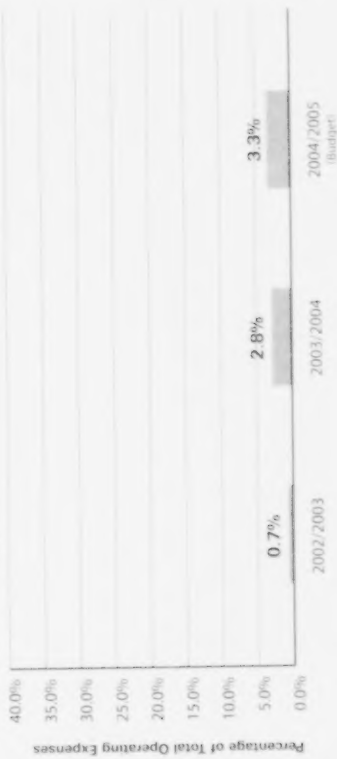
Administration



Support Services



Information Technology





Financial Statements for 2004

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Alberta Mental Health Board Management's Responsibility For Financial Reporting Financial Statements March 31, 2004

The accompanying financial statements are the responsibility of management and have been approved by the Alberta Mental Health Board ("AMHB"). The financial statements were prepared in accordance with Canadian Generally Accepted Accounting Principles and the Financial Directives issued by Alberta Health and Wellness, and of necessity include some amounts based on estimates and judgment.

To discharge its responsibility for the integrity and objectivity of financial reporting, management maintains a system of internal accounting controls comprising written policies, standards, procedures, a formal authorization structure, and satisfactory processes for reviewing internal controls. This system provides management with reasonable assurance that transactions are in accordance with governing legislation, are properly authorized, reliable financial records are maintained, and assets are adequately accounted for and safeguarded. The AMHB has established a code of ethics and corporate directives, which require communication of the code to employees.

The AMHB carries out its responsibility for the financial statements through the Resources Committee. This Committee meets with management and the Auditor General to review financial matters, and recommends the financial statements to the AMHB for approval. The Auditor General has full and free access to the Resources Committee.

The Auditor General provides an independent audit of the financial statements. Their examination is conducted in accordance with Canadian Generally Accepted Auditing Standards and includes tests and other procedures, which allow them to report on the fairness of the financial statements prepared by management.


Ray Block
Chief Executive Officer


Steven Ritz, C.A.
Director, Administrative Services

Auditor's Report



To the Members of Alberta Mental Health Board
and the Minister of Health and Wellness

I have audited the statement of financial position of Alberta Mental Health Board as at March 31, 2004 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.


Auditor General F.C.A.

Edmonton, Alberta
May 21, 2004

Alberta Mental Health Board Statement of Financial Position March 31, 2003 (thousands of dollars)

	2003 Actual	Restored (Note 1)
Assets		
Current:		
Cash (Note 3)	\$ 7,716	\$ 23,196
Accounts receivable	162	2,569
Contributions receivable from Alberta Health and Wellness	745	566
Prepaid expenses	687	418
	9,310	26,749
Non-current cash (Note 3)	523	1,119
Capital assets (Note 4)	433	787
Total Assets	\$ 10,266	\$ 28,655

Liabilities and Net Assets

Current:		
Accounts payable and accrued liabilities	\$ 1,418	\$ 16,378
Accrued vacation pay	175	263
Deferred contributions (Schedule 2)	464	925
Accrued restructuring costs (Note 17)	534	2,861
	2,591	20,427
Deferred capital contributions (Note 5)	3	3
Unamortized external capital contributions (Note 6)	327	887
	2,918	21,117
Commitments and Contingencies (Note 7)		
Net assets:		
Unrestricted (Note 8)	3,263	722
Internally restricted (Note 8)	3,979	6,716
Accumulated surplus	7,242	7,438
Investment in capital assets	106	100
	7,348	7,538
Total Liabilities and Net Assets	\$ 10,266	\$ 28,655

The accompanying notes and schedules are part of these financial statements.

Alberta Mental Health Board Statement of Operations March 31, 2004 (thousands of dollars)

	2004 Budget (Note 9)	Actual (Note 1)	Restored (Note 1)
Revenues			
Alberta Health and Wellness contributions (Note 10)	\$ 35,476	\$ 34,918	\$ 36,028
Other government contributions (Note 11)	134	390	2,119
Donations	26	50	
Investment and other income (Note 12)	608	980	772
Amortized external capital contributions (Note 6)	338	376	385
Total Revenues	36,672	36,664	39,304
Expenses (Schedule 1)			
Facility based inpatient/acute nursing care services	11,863	11,952	11,408
Facility based emergency and outpatient services	5,240	4,906	5,160
Community and home based services	442	446	3,471
Diagnostic and therapeutic services	4,242	4,274	4,240
Promotion, prevention and protection services	3,500	3,407	3,554
Research and education	1,165	926	1,122
Administration (Note 13)	6,943	4,557	7,732
Information technology	448	962	2,602
Support services (Note 14)	3,279	3,345	5,015
Total Expenses	37,122	34,775	44,394
Excess (deficiency) of revenues over expenses prior to the following items	(450)	1,889	(4,400)
Legal settlement costs (Note 7b)		450	
Restructuring costs, net (Note 17)	2,375	1,629	5,403
Deficiency of revenues over expenses	\$ (2,825)	\$ (190)	\$ (9,893)

Alberta Mental Health Board Statement of Changes in Net Assets March 31, 2004 (thousands of dollars)

	2003 Actual			2002 Revised	
	Unrestricted	Internally Restricted (Note 6)	Investment in Capital Assets	Total	Total (Note 1)
	\$ (190)	\$	\$	\$ (190)	\$ (0.00)
Deficiency of investments over expenses	(190)				
Capital assets purchased with inherited funds			53		
Amortization on internally funded capital assets	47	(47)			
Restructuring of mental health operations					(13,170)
Net Change	(190)		53	(190)	(13,170)
Transfer from internally restricted net assets, net	2,737	(2,737)			
Balance at beginning of year	122	6,719	190	7,031	30,801
Balance at end of year	\$ 3,263	\$ 3,979	\$ 106	\$ 7,348	\$ 7,538

Alberta Mental Health Board Statement of Cash Flows March 31, 2004 (thousands of dollars)

2003
Revised
(Page 1)

2004
Actual

Cash generated from (used by):

Operating activities:

Deficiency of revenues over expenses	\$ (190)	\$ (903)
Non-cash business items		
Amortization of capital equipment - internally funded	47	472
externally funded	376	305
Amortized external capital contributions (Page 6)	(376)	(985)
Revenue recognized in prior years of externally funded capital equipment (Page 6)		(2,270)
Loss on disposal of capital equipment		2
Gain on disposal of investments		(43)
Write-down of capital assets - internally funded		1,333
externally funded		2,270
Change in non-cash working capital accounts	(15,872)	11,269
	(16,020)	3,640

Investing activities:

Purchase of capital equipment - internally funded	(63)	(660)
externally funded (Page 6)	(16)	(172)
Also shown, from (to) non-current cash	596	(872)
	527	(1,302)

Financing activities:

Capital contributions received - cash		
Interest on revenues in cash	(15,480)	1,812
Cash beginning of year	23,196	21,384
Cash end of year	\$ 7,716	\$ 23,196

Alberta Mental Health Board

Notes To The Financial Statements

March 31, 2004

Note 1

Alberta Mental Health Board, Purpose and Restructuring of Mental Health Operations

The Alberta Mental Health Board ("the Board") was established on April 1, 1999 by Alberta Regulation 84/99 (AR84/99). Prior to April 1, 2003, the Board was responsible for delivering appropriate, accessible and affordable mental health services in Alberta.

Effective April 1, 2003, the majority of mental health programs and services were transferred to regional health authorities ("RHAs") on a geographic basis. As a result, the majority of the Board's operating assets and liabilities were transferred to the RHAs effective April 1, 2003. Of the previously reported cash balance of \$62,030,000 as at March 31st, 2003, \$37,715,000 has been transferred to the RHAs, resulting in a restated cash balance of \$24,315,000 reported in the Board's comparative fiscal 2003 figures.

The net effect of the transfer, amounting to \$13,170,000 as at April 1, 2002, has been reflected in the Statement of Changes in Net Assets. The comparative fiscal 2003 figures in the Statement of Operations have been restated to be consistent with the ongoing operations of the Board as of April 1, 2003. Accordingly, \$705,000 of the Board's previously reported deficiency of \$10,598,000 for the year ended March 31, 2003 has been transferred to the RHAs, resulting in a restated deficiency of \$9,893,000 reported in the Board's comparative fiscal 2003 figures. Certain accounts payable balances and the related cash balances were retained by the Board to facilitate settlement during the year.

During the fiscal year ending March 31, 2004, the Board retained governance of province wide services such as Forensic Psychiatry, Suicide Prevention, Aboriginal Mental Health and Telemental Health. The Board also engaged in various planning, advocacy and liaison activities and continued to promote mental health through education and awareness. Additional restructuring activities and costs were incurred during the year as a result of the continuing transition of mental health programs and services to the RHAs (see Note 17).

The operations of the Board for the next fiscal year are grounded in the Provincial Mental Health Plan. Specifically, the Board will work with others through broad, meaningful and collaborative partnerships to:

- Promote and support implementation of the made-in-Alberta approach outlined in the framework document Advancing the Mental Health Agenda (April 2004);
- Bring a provincial perspective to programming and support for regional mental health service delivery;
- Build capacity for provincial mental health research and enhance information management to support planning at the regional and provincial level;
- Strengthen advocacy and consumer support; and
- Target strategies at system level change, and communicate on progress.

The Board is exempt from payment of income tax and is a registered charity under the Income Tax Act.

Note 2

Significant Accounting Policies and Reporting Practices

The financial statements have been prepared in accordance with the Canadian Generally Accepted Accounting Principles and the reporting requirements of Financial Directives 21 and 23 issued by Alberta Health and Wellness. Following are the significant accounting policies:

(a) Revenue Recognition

These financial statements use the deferral method, the key elements of which are:

- (i) Unrestricted operating grants and other contributions are recognized as revenue in the year receivable.
- (ii) Externally restricted capital contributions are recorded as deferred capital contributions until invested in capital assets. Amounts invested, representing externally funded capital assets, are then transferred to unamortized external capital contributions. Unamortized external capital contributions are recognized as revenue in the period in which the related amortization expense of the capital asset is recorded.
- (iii) Externally restricted non-capital contributions are recognized as revenue in the year proportional to the related expenses incurred.
- (iv) Unrestricted investment income is recognized in the year earned.
- (v) Donations and contributions in kind are recorded at fair value when such value can reasonably be determined.

(b) Full cost

The Board accounts for all costs and revenue from services for which it is responsible. The costs of services provided is recorded at fair value. Fair value transactions comprise the following:

- (i) Alberta Health and Wellness payments directly to contracted health service operators are recorded as revenue and an equivalent amount recorded as program expense as these payments represent part of the cost of the Board's programs.
- (ii) The fair value for use of non-acute care facilities not owned by the Board and provided to the Board at zero or nominal rent is recorded as other government contributions and as program expense.
- (iii) Other assets, supplies and services that would otherwise have been purchased are recorded as revenue and expenses, at fair value at the date of contribution, when a fair value can be reasonably determined. The value of volunteers' contributed services is not reported as a fair value cannot be reasonably determined.

(c) Employee Future Benefits

The Board participates in the Local Authorities Pension Plan. This multi-employer defined benefit pension plan provides pensions for the Board's participating employees, based on years of service and earnings. Defined contribution plan accounting is applied to a multi-employer defined benefit plan for which the Board has insufficient information to apply defined benefit plan accounting.

Pension costs in the statements comprise the employer's contributions required for its employees during the year, based on rates expected to provide benefits payable under the pension plans. The Board does not record its portion of the plan's deficit or surplus.

The Board fully accrues its obligations for employee non-pension future benefits.

(d) Cash

Cash consists of cash on deposit.

(e) Financial Instruments

The carrying value of cash, accounts receivable, contributions receivable from Alberta Health and Wellness, accounts payable and accrued liabilities, and accrued restructuring costs approximates their fair value because of the short-term maturity of these items.

The Board does not have any off-balance sheet financial instruments.

(f) Capital Assets

Capital assets consist of furniture and equipment and are recorded at cost. Capital assets with unit costs less than five thousand dollars are expensed.

Equipment is amortized over its estimated useful life of 5 to 15 years on a straight-line basis.

(g) Restructuring Costs (see Note 17)

Expenditures are classified as restructuring costs if they directly relate to the transition of mental health programs and services to the RHAs. If actual costs are unknown, an estimate is recorded.

(h) Use of Estimates

The financial statements, by their nature, contain estimates and are subject to measurement uncertainty. Amounts recorded for amortization of external capital contributions are based on estimates of the useful life of related assets. Actual results could differ from these estimates.

Note 3

Cash

	2004 Actual	2003 Restated
(Thousands of dollars)		
Total current & non-current cash	\$6,239	\$23,315
Classified as:		
Current	7,716	23,190
Non-current	523	1,119
Total Cash	\$6,239	\$23,315
Non-current cash represents the following:		
Externally restricted for capital purposes	\$	\$ 3
Internally restricted for capital purposes	523	1,119
	\$ 523	\$1,119

Note 4 Capital Assets

Cost

(thousands of dollars)	
Equipment	
Opening Balance - 01/04/03, Restated	
Additions	
Disposals	
Closing Balance - 31/03/04, Actual	

Accumulated Amortization

(thousands of dollars)	
Equipment	
Opening Balance - 01/04/03, Restated	
Current year amortization	
Amortization on Disposals	
Closing Balance - 31/03/04, Actual	

Net Book Value

Externally funded (unamortized external capital contributions)	
Internally funded (incurred as capital assets)	

Note 5 Deferred Capital Contributions

	2004 Actual	2003 Restated
(thousands of dollars)		
Amounts received		
Indirect Alberta Health and Wellness contributions	\$16	\$
Indirect other government contributions		119
	16	119
Transferred to:		
Unamortized external capital contributions (Note 6)	(16)	(172)
Deferred contributions	16	130
	(16)	(121)
Change during the year	16	107
Balance, beginning of year	3	100
Balance, end of year	19	207
Balance at the end of the year is restricted for the following purposes:		
Equipment replacement	\$	\$

	2004 Actual	2003 Restated
(thousands of dollars)		
Externally funded	\$527	\$987
Internally funded	120	100
	\$647	\$1087

Note 6

Unamortized External Capital Contributions

The Board follows the deferral method of recognizing capital contributions as described in Note 2 (a) (ii). The balance of unamortized external capital contributions at the end of the year represents the external capital contributions to be recognized as revenue in future years.

	2004 Actual	2003 Restated
	(thousands of dollars)	
Balance, beginning of year	\$687	\$3,770
Transfers from deferred capital contributions (Note 5)	16	172
Less amounts recognized as revenue		
Amortized external capital contributions - Equipment	376	985
Write-down of externally funded capital assets (Note 18)		2,270
Balance, end of year	<u>\$327</u>	<u>\$687</u>

Note 7

Commitments and Contingencies

(a) Commitments

As part of normal operations, the Board has entered into contracts for forensic psychiatry services, promotion and prevention services and administrative services. Where the term of a contract does not extend beyond March 31, 2005, the Board's management expects to renew the contract under similar terms and conditions at each successive expiry date. The Board also has an operating lease for office space.

For the year ended March 31

	Contracts	Leases
	(thousands of dollars)	
2005	\$24,048	\$119
2006	24,769	123
2007	25,512	126
2008	26,278	126
2009	27,067	126

(b) Contingencies

Subsequent to year end, the Board settled an action wherein the plaintiff believed it was owed for providing additional services, allegedly agreed to by the Board, during the construction of the sewage treatment facility at Alberta Hospital Ponoka. The amount of the settlement was \$450,000 which has been recorded in accrued liabilities.

Note 8

Accumulated Surplus

The Board's accumulated surplus comprises the following:

	2004 Actual	2003 Restated
	(thousands of dollars)	
Unrestricted net assets	\$3,263	\$722
Internally restricted net assets		
Capital upgrades	523	1,116
Transition costs	597	1,000
Toleration health	-	1,500
Mental health and justice initiatives	283	1,223
Research and administration	26	277
Sewage treatment facility	550	1,000
Mental health services and programs	2,000	
	<u>3,979</u>	<u>6,716</u>
	<u>\$7,242</u>	<u>\$7,438</u>

Note 9

Budget

The 2004 budget was approved by the Board on March 19, 2004.

Note 10

Alberta Health and Wellness Contributions

	2004 Actual	2003 Restated
	(thousands of dollars)	
Unrestricted contributions	\$34,090	\$32,643
Transfers from deferred contributions (Schedule 3)	989	1,385
AHW payments to contract operators (Schedule 4)		2,090
	<u>\$34,911</u>	<u>\$36,028</u>

Note 11

Other Government Contributions

	2004 Actual	2003 Restated
	(thousands of dollars)	
Alberta Government		
Restricted Alberta Infrastructure	\$	\$1,734
Transfers from deferred contributions (Schedule 3)	243	
Fair value to use non-owned facilities	147	162
Other		223
	<u>\$390</u>	<u>\$2,119</u>

Note 12

Investment and other income

	2004 Actual	2003 Restated
	(thousands of dollars)	
Investment income	\$634	\$254
Other income	295	\$18
	<u>\$929</u>	<u>\$272</u>

Investment income comprises interest income. Other income primarily comprises revenues from research grants and cost recoveries.

Note 13

Administration

	2004 Actual	2003 Restated
	(thousands of dollars)	
General administration	\$3,237	\$6,051
Forensic psychiatry services ¹	913	963
Finance	346	455
Human Resources	51	353
	<u>\$4,557</u>	<u>\$7,732</u>

General administration expenses for fiscal 2004 primarily comprises costs relating to the following types of activities:

- Promoting and supporting implementation of the made-in-Alberta approach outlined in the framework document Advancing the Mental Health Agenda (April 2004);
- Bringing a provincial perspective to programming and support for regional mental health service delivery; and
- Strengthening advocacy and consumer support.

¹The cost of contracted forensic psychiatry programs is allocated to the appropriate expense categories as if the Board directly provided the operations. Where information is unobtainable, the Board uses a systematic and rational basis for the allocation.

Note 14

Support services

	2004 Actual	2003 Restated
	(thousands of dollars)	
Forensic psychiatry services	\$3,110	\$2,943
Building maintenance and operations	236	1,967
Education		105
	<u>\$3,346</u>	<u>\$5,015</u>

The cost of contracted forensic psychiatry programs is allocated to the appropriate expense categories as if the Board directly provided the operations. Where information is unobtainable, the Board uses a systematic and rational basis for the allocation.

Note 15

Related Parties

(a) Province of Alberta

The Board is established under the Regional Health Authorities Act. The Minister of Health and Wellness appoints the members. The Board is economically dependent upon the Ministry of Health and Wellness since the viability of its on-going operations depends on contributions from the Ministry. Transactions between the Board and the Province are disclosed in the financial statements and in the notes to the financial statements.

(b) Health Authorities

The Board shares a common relationship with other Health Authorities through its relationship with the Province of Alberta. Transactions between the Board and other Health Authorities are reported in the Statement of Operations and presented in Schedule 4.

(c) Contract Service Operators

The Board contracts with service operators to provide mental health promotion and prevention services in the Province. Details are presented in Schedule 4.

Note 16

Pension Costs

The Board participates in the Local Authorities Pension Plan, which is a multi-employer defined benefit plan. Pension expense in these financial statements is equal to the Board's annual contributions payable of \$199,000 for the year ended March 31, 2004 (2003 - \$2,116,000).

At December 31, 2003, the Local Authorities Pension Plan reported a deficiency of \$1,410,987,000 (2002 - \$444,980,000).

Note 17**Restructuring Costs, Net**

As a result of the continuing transition of mental health programs and services to the RHAs, restructuring activities and costs were incurred during the year. Accrued restructuring costs of \$534,000 (2003 - \$2,861,000) comprise restructuring expenditures relating to the current fiscal year and a provision for restructuring expenditures in the next fiscal year. The net restructuring costs included in the Board's statement of operations for the year ended March 31, 2004 are comprised of the following:

	2004 Actual	2003 Restated
(thousands of dollars)		
Salaries and insurance	\$566	\$2,910
Professional fees	96	968
Geographic teams	636	
Other restructuring expenses	331	192
Write down of capital assets		3,693
	1,629	7,673
Amortization of external capital contributions on write down of capital assets		(2,278)
Net restructuring costs	\$1,629	\$5,403

Note 18**Comparative Figures**

Certain 2003 figures have been reclassified and restated to conform to the 2004 presentation.

Note 19**Approval of Financial Statements**

These financial statements have been approved by the Board.

Schedule 1

Alberta Mental Health Board Schedule of Expenses by Object for Year Ended March 31, 2004
(thousands of dollars)

	Budget (Note 9)	2004 Actual	2003 Revised (Note 1)
Salaries, benefits, allowances and insurance (Schedule 2)	\$ 3,138	\$ 3,716	\$ 28,298
Contracts with health services operators (Schedule 3)	29,270	26,464	9,582
Drugs, gases, medical and surgical supplies			606
Other contracted services	2,364	1,745	3,233
Other expenses ⁽¹⁾	4,365	2,516	5,768
Amortization of capital equipment			
- internally funded	22	47	472
- externally funded	338	376	985
Capital assets write down - equipment			5,603
	39,497	36,854	52,067
Less amount reported as legal settlement (Note 7b)		450	
Less amounts reported as restructuring costs (Note 17)	2,375	1,623	7,673
	\$ 37,122	\$ 34,775	\$ 44,394
(⁽¹⁾ Other expenses			
Facility rent	\$ 187	\$ 334	\$ 1,173
Travel	253	251	525
Administrative services referred out to Capital Health	639	518	
Miscellaneous	3,286	1,413	4,060
	\$ 4,365	\$ 2,516	\$ 5,768

The comparative fiscal 2003 figures have been restated to reflect the transfer of the majority of mental health programs and services to the RHAs (see Note 1). Included in the Board's ongoing operations are forensic psychiatry services which, in 2003, were provided directly by employees of Alberta Hospital Edmonton to northern Alberta. In 2004, the northern Alberta services were contracted to Capital Health. Accordingly, the expenses for these services are included in different object categories for the years ending March 31, 2004 and 2003.

In addition to expenditures relating to the ongoing operations of the Board, the 2003 figures include \$11,606,000 for the following:

- Administrative services and other programs no longer required after the transition of mental health services and programs to the RHAs; and
- Programs and expenditures that did not continue after the transition of mental health services and programs to the RHAs or that related to one-time or flow-through funding. In certain instances, offsetting revenue has been included in the Statement of Operations. Examples include capital maintenance grants and Children's Mental Health expenditures paid directly by Alberta Health and Wellness to Children and Family Services Authorities.

Schedule 2

Alberta Mental Health Board Schedule of Salaries, Honoraria, Benefits, Allowances and Severance for the Year Ended March 31, 2004 (thousands of dollars)

Severance^a

	Number of Individuals ^c	Salaries and Honoraria ^c	Benefits and Allowances ^a	Sub-Total	Number of Individuals	Amount	Total
Board Compensation							
Board Chairperson							
Reid, John G. (Dr.)	1	\$ 16	-	\$ 16		\$ 16	\$ 16
Board Members							
Desbarats, Susan	1	5	-	5		5	5
Laforte-Fertig, Louise	1	2	-	2		2	2
Murrie, Thomas J. (Dr.)	1	1	-	1		1	1
Mikkelsen, David	1	3	-	3		3	3
Preston, Jerry	1	3	-	3		3	3
Steinhauer, Sharon	1	3	-	3		3	3
Total honoraria	7	33	-	33		33	33
Staff							
Chief Executive Officer ^a	1.00	200	15	215		215	215
Management persons reporting to the CEO							
Clinical/Medical Advisor	1.00	293	17	310	1.00	443	753
Executive Director Programs	1.00	126	17	143		143	143
Executive Director, Planning, Advocacy & Liaison	1.00	130	17	147		147	147
Executive Director, Monitoring & Evaluation	0.76	97	11	108		108	108
Other management persons reporting directly to those above avg. 2004 \$102)	6.42	555	99	654		654	654
Other management (avg. 2004 \$68)	3.81	287	48	335		335	335
Other staff (avg. 2004 \$62)	21.29	1,077	251	1,328		1,328	1,328
Total staff	36.28	2,765	475	3,240	1.00	443	3,683
Total		\$ 2,798	\$ 475	\$ 3,273		\$ 443	\$ 3,716

See accompanying information on the following page.

Comparative fiscal 2003 figures have been omitted as a restatement to reflect the transfer of the majority of mental health programs and services to the BHA was not feasible.

Schedule 2 (continued)

Schedule Of Salaries, Honoraria, Benefits,
Allowances And Severance
For The Year Ended March 31, 2004

1. Full time equivalent (FTE) is determined at the rate of 2,031 annual hours for each full-time employee. Total actual discrete number of individuals employed: 66.
2. Salaries include regular base pay, overtime, lump sum payments, honoraria, sick leave, short-term disability, earned vacation leave and other remuneration. Individuals under contract by the Board are not reflected in this schedule.
3. Benefits and allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, out-of-country medical benefits, group life insurance, accidental death and dismemberment, long-term disability plans, Canada Pension Plan, employment insurance, workers compensation, and tuition.
4. The Chief Executive Officer is provided with an automobile; no dollar amount is included under benefits and allowances.
5. Severance includes amounts paid directly or indirectly to individuals upon termination, which are not included in salaries, honoraria, benefits and allowances.

Schedule 3

Schedule of Deferred Contributions

	Opening Balance April 1, 2003 Restricted	Amounts received or receivable (thousands of dollars)					Amounts recognized as revenue (thousands of dollars)					Closing Balance March 31, 2004 Actual
		Alberta Health and Wellness	Other Gov't Contributions	Donors	Investment and Other		Alberta Health and Wellness	Other Gov't Contributions	Fees	Investment and Other		
Alberta Health & Wellness:												
Telemental Health Scheduling	\$ 36						36					36
Forensics Division	682						674					47
Telemental Health Clinic	62	107					60					
Systems Transition	36						62					
Security Compliance Upgrade							36					
Aboriginal Youth Suicide Prevention		400										400
Other Contributors:												
Restricted - AB Infrastructure	76		(74)									2
Restricted - Donations	7			50					50			7
Restricted - Alberta Justice			240					240				
Restricted - Research Study	26		3		50			3		76		
Total 2003/04	\$ 925	\$ 507	\$ 169	\$ 50	\$ 50		\$ 868	\$ 243	\$ 50	\$ 76		\$ 464

Unspent amounts at year end are as follows:

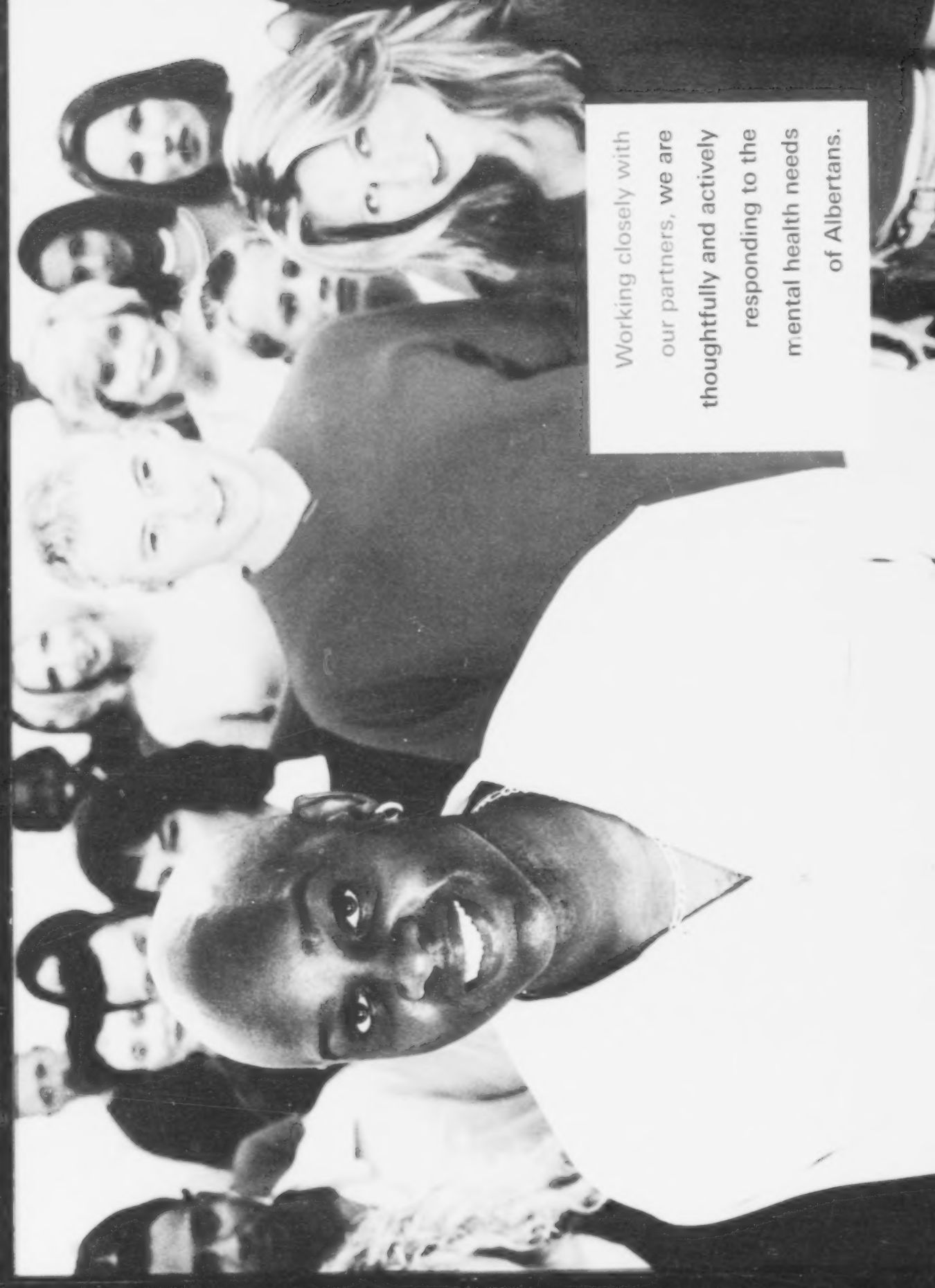
2004 Actual (thousands) 2003 Restated (thousands)

Current					
Aboriginal Youth Suicide Prevention	\$ 400	\$			
Telemental Health Clinical	47				
Forensics Division	8	682			
Donations	7	7			
Alberta Infrastructure	2	76			
System Transition		62			
Security Compliance Upgrade		36			
Telemental Health Scheduling		36			
Research Study		26			
	464	925			
Non Current					
Total	\$ 464	\$ 925			

Schedule 4

Schedule of Contract Service Operators

	Direct Regional Funding	Direct Alberta Health & Wellness Funding	Total Revenue	Facility-based regions/ acute-care services	Emergency/ urgent care services	Community based services	Diagnosis by specialty services	Pharmaceutical services/ incentives	Research and education	Administration	Information technology	Support services	Restructuring	Total Expenditures
(in thousands of dollars)														
A. Health Authorities														
Category Health Region														
Edmonton	\$ 5,489	\$ -	\$ 5,489	\$ 2,730	\$ 760	\$ 101	\$ 978	\$ -	\$ -	\$ 209	\$ -	\$ 711	\$ -	\$ 5,489
Other	1,143		1,143	330	230	12	120	332		20		87		1,143
Capital Health	17,198		17,198	8,966	2,381	317	3,084			654		2,227		17,198
Freemont	1,156		1,156		418				290		448			1,156
Capital Health	1,022		1,022		469				548	9				1,022
Other Regional Health Authorities														
B. Other Contract Service Operators														
Canadian Mental Health Association	903		903					903						903
Other operators & service providers	1,543		1,543	183	92	7	68	1,125		18		64	16	1,543
Total 2003/04 (Actual)	\$ 28,454	\$ -	\$ 28,454	\$ 11,804	\$ 4,336	\$ 437	\$ 4,228	\$ 2,908	\$ 290	\$ 914	\$ 448	\$ 3,079	\$ 10	\$ 28,454
Total 2002/03 (Revised)	\$ 7,082	\$ 2,000	\$ 9,082	\$ 2,956	\$ -	\$ 2,550	\$ -	\$ 2,772	\$ -	\$ 105	\$ -	\$ 699	\$ 10	\$ 9,082

A black and white photograph of a diverse group of people of various ages and ethnicities. In the foreground, a young Black man with a shaved head and a wide smile looks directly at the camera. Behind him, a woman with long blonde hair and a slight smile is visible. To the left, a young white man with short hair is smiling. The background is filled with other people, some looking at the camera and others slightly out of focus, creating a sense of a large, inclusive community.

Working closely with
our partners, we are
thoughtfully and actively
responding to the
mental health needs
of Albertans.



ALBERTA MENTAL HEALTH BOARD